



COUNTY OF SAN LUIS OBISPO

AUDITOR • CONTROLLER • TREASURER • TAX
COLLECTOR • PUBLIC ADMINISTRATOR

Sheriff-Coroner Office Cash Procedures & Internal Control Review Follow-Up

February 2016

**JAMES P. ERB, CPA
Auditor-Controller
Treasurer-Tax Collector-Public Administrator**



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TO: IAN PARKINSON, SHERIFF-CORONER

FROM: JAMES P. ERB, CPA, AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR *J. E.*

DATE: FEBRUARY 9, 2016

SUBJECT: FOLLOW-UP CASH PROCEDURES AND INTERNAL CONTROL REVIEW OF THE
SHERIFF-CORONER'S MAIN OFFICE CONDUCTED ON JANUARY 6, 2016.

Our office previously performed a cash procedures and internal control review of the Sheriff-Coroner's Main Office that took place on February 9, 2015. We recently performed a follow-up review to determine whether the recommendations we identified in our initial report were implemented. We determined the Sheriff-Coroner has implemented our recommendations.

Purpose

The purpose of our review was to determine whether the Sheriff-Coroner implemented recommendations provided in our original April 27, 2015 report.

Scope

The scope of our review included cash and receipts on hand on January 6, 2016. Additionally, we reviewed the department's internal controls relating to deposits.

Methodology

We conducted our review in conformance with the *International Standards for the Professional Practice of Internal Auditing*. The International Standards for the Professional Practice of Internal Auditing require the internal audit activity be independent and internal auditors be objective in performing their work. The Standards also require internal auditors perform their engagements with proficiency and due professional care; the internal audit function be subject to a program of quality assurance; and the results of engagements are communicated.

Our review included physically counting all cash on hand for January 6, 2016 and reconciling the amount to the department's accountability figures. We examined cash receipts and compared the amounts to the corresponding receipts total and to the subsequent deposit. Our review also included evaluating internal controls relating to cash. Our evaluation of internal controls was limited to inquiries of departmental staff and direct observations.

Results

We found the Sheriff-Coroner implemented the recommendations from our prior report.

Previous Findings & Recommendations and Follow-Up Results

1. Deposit Frequency

The Permit/Records window takes payments for various services and makes a weekly deposit. While the Sheriff-Coroner's Office has been granted a Frequency of Deposit Waiver from the Auditor-Controller's Office, daily receipts over \$500 must be deposited each Monday, Wednesday, and Thursday. Due to an oversight, staff did not make deposits in accordance with the waiver. When cash receipts are held over the prescribed time period the possibility of misappropriation significantly increases.

Recommendation:

All cash receipts over \$500 must be deposited each Monday, Wednesday, and Thursday.

Follow-up Results:

Implemented: The Sheriff-Coroner staff makes deposits daily.

We appreciate the courteous attitude of your staff and the cooperation we received during the course of our review.